

**LIVING WAGE PROGRAM
EFFECTIVE MARCH 1, 2016**

In adopting the Living Wage Program (LWP) Ordinance, Los Angeles County Code Chapter 2.201, in 1999, the Board made a finding that the County of Los Angeles (County) is the principal provider of social and health services within the County, especially to persons who are compelled to turn to the County for such services. The Board also acknowledged that employers' failure to pay a living wage to their employees causes them to use such services thereby placing an additional burden on the County.

The LWP is applicable to Proposition A and cafeteria services contracts and subcontracts. Proposition A contracts are for services that could be performed by County employees, but are more economically performed by contractors.

The basic LWP requirements for contracts awarded on or after **March 1, 2016** are as follows:

- Full-time and part-time contract employees must be paid a living wage as follows:

Effective Date	Hourly Rate
March 1, 2016	\$13.25
January 1, 2017	\$14.25
January 1, 2018	\$15.00
January 1, 2019	\$15.79
January 1, 2020 and beyond	See below

Effective January 1, 2020, the living wage rate will be adjusted based on the U.S. Department of Labor, Bureau of Labor Statistics' Consumer Price Index (CPI) for the Los Angeles-Riverside-Orange County Area for the 12-month period preceding July 1 of each year.

- Contract employees must be informed of their rights under the LWO through the annual distribution of LWO Notice to Employees handouts.
- The Contractor must display a LWO Notice to Employee poster in a conspicuous place at each contract work-site where contract employees can see it,
- Use of full time employees; an employer shall assign and use full time employees to provide services under a Proposition A contract or a cafeteria services contract, unless the employer can demonstrate to the County the necessity to use non-full time employees based on staffing efficiency or the County requirements of an individual job.
- Minimum of 40 hours per week or a less number of hours in accordance with recognized industry standards approved by the CEO, but no less than 35 hours per week.

LWO Program Exemptions

Contractors may be exempt from the LWO if the contractor has a collective bargaining agreement in place that expressly supersedes LWO - the bargaining agreement must refer directly to the LWO.

To apply for an exemption from LWO, an Application for Exemption must be completed and submitted with the proposal. If approved, the continuing qualification for LWO exemption will be evaluated annually.

How Living Wage is Monitored

The County Board of Supervisors has mandated that the LWO be strictly enforced and monitored by County Departments. In order to meet these requirements, contractors will provide requested documents and access to authorized County staff, for example:

- At contract start-up
 - Contractor shall submit a staffing plan listing all employees assigned to the County contract and required identification/employment information
- On-going during term of contract
 - Contractor shall complete payroll form provided by the County for each employee working on the County contract and submit to the County by the 15th of the month following the month worked
- On an as-needed basis, access to County staff of the following:
 - Contractor's payroll source and related records
 - Contractor's staff for on-the-job interviews
 - Contractor's premises

Enforcement and Remedies

If contractor fails to comply with the requirements of the LWO, the County shall have the rights and remedies described in the Contract and remedies provided by law or equity. These rights/remedies include the following:

- A. An employee may bring an action in the courts of the state of California for damages caused by an employer's violation of this chapter.
- B. The county department head responsible for administering a Proposition A contract or a cafeteria services contract may do one or more of the following in accordance with such instructions as may be issued by the chief administrative officer:
 1. Assess liquidated damages as provided in the contract; and/or
 2. Recommend to the board of supervisors the termination of the contract; and/or

3. Recommend to the board of supervisors that an employer be barred from award of future county contracts for a period of time consistent with the seriousness of the employer's violation.